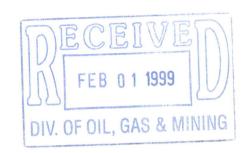


Independence Plaza, Suite 950 • 1050 Seventeenth Street • Denver, CO 80265 • 303 628 7798 (main) • 303 389 4125 (fax)

January 29, 1999

Via Overnight Delivery (UPS)

State of Utah Department of Natural Resources Division of Oil, Gas and Mining PO Box 145801 Salt Lake City, UT 84114-5801



Dear Staff:

Enclosed are the annual reports for the following mining operations:

Mine	Permit
LaSal/Snowball Permit	M 037 026
Hecla Shaft Permit	M 037 043
Pandora Permit	M 037 012
Redd Block IV Permit	M 037 046
Rim/Columbus Permit	M 037 006
Tad Claims	S 053 039

If you have any questions, please call me at (303) 389-4132. Thank you.

Sincerely,

Vicki L. Hoffsetz

Paralegal / Land Administrator

Enclosures



STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Telephone: (801) 538-5291 Fax: (801) 359-3940



ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

3.	Mine Name: Rim_Colum Mineral(s) Mined (or permi		m and Vanadium			
5.				<i>r</i>		
6.	Type of mine					
٥.	1/4,1/4,		** I'' I'' I'' I''' I''' I''' I''' I'''	Pance 251		
	1/4,1/4,					
	1/4,1/4,					
Na	me of Operator or Company:					
8.	Permanent Street Address					
	City State Zin	Denver, Colora	do 80265			
	Phone:	(303) 628-7798				
	Company Representative					
9.		(at any Burner above				
9.		. Smith				
9.	Name: _Roger B	. Smith Manager of Mini	ng Operations			
9.	Name: Roger B Title: General	Manager of Mini		A		
9.	Name: Roger B Title: General Business Address:	Manager of Mini HC 64, Box 153	, 2555 No. Hwy 897	A		
9.	Name: Roger B Title: General Business Address: City, State, Zip:	Manager of Mini HC 64, Box 153 Fredonia, Ariz	, 2555 No. Hwy 89 <i>F</i> ona 86022	1		
9.	Name: Roger B Title: General Business Address: City, State, Zip: Phone:	Manager of Mini HC 64, Box 153 Fredonia, Ariz (520) 643-7321	, 2555 No. Hwy 897 ona 86022			
	Name: Roger B General Title: Business Address: City, State, Zip: Phone: Please check if any of	Manager of Mini HC 64, Box 153 Fredonia, Ariz (520) 643-7321	, 2555 No. Hwy 89 <i>F</i> ona 86022			
	Name: Roger B Title: General Business Address: City, State, Zip: Phone:	Manager of Mini HC 64, Box 153 Fredonia, Ariz (520) 643-7321	, 2555 No. Hwy 897 ona 86022			
	Name:Roger B	Manager of Mini HC 64, Box 153 Fredonia, Ariz (520) 643-7321 the above information has	, 2555 No. Hwy 897 ona 86022 s changed since previous ye	ar.		
Mi	Name: Roger B General Title: Business Address: City, State, Zip: Phone: Please check if any of	Manager of Mini HC 64, Box 153 Fredonia, Ariz (520) 643-7321 the above information had been activity during the	ona 86022 s changed since previous ye	ar.		

4.	Briefly describe the type of work performed, volume of material moved, and any new or additional surface disturbances that occurred during the past year.				
	The mine adit and site access road were repaired and the mine de- watered so as to permit underground mine restoration work to be				
		, some ore was produce			
5.	How much additional acreage was d	listurbed during the past year	?None		
6.	How much acreage was reclaimed di	uring the past year?	None		
7.	Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. No reclamation conducted.				
8.	What is the total disturbed acreage	of entire project at years end	Approximately 12 ac		
9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.				
	Project currently in standby status. The site was reviewed by BLM				
	and UDOGM during 1998 (see 1	report on file).			
OTE:	Section III., "Additional Information	applies only to large minin	g operations.		
I. Additiona	l Information				
1.	An updated surface faculties man should				
	the previous map was submitted.	be attached if there have been s	ignificant changes since		
2.	the previous map was submitted. Any monitoring results or other reports to of intention should also be attached.				
	Any monitoring results or other reports to				
V. <u>Signatur</u>	Any monitoring results or other reports to of intention should also be attached. The Requirement	hat are required under the terms			
V. <u>Signatur</u>	Any monitoring results or other reports to of intention should also be attached. The Requirement of the company of the compan	hat are required under the terms			
V. <u>Signatur</u>	Any monitoring results or other reports to of intention should also be attached. The Requirement reby certify that the foregoing is true. Name (Typed or Print):	nat are required under the terms			
V. <u>Signatur</u>	Any monitoring results or other reports to of intention should also be attached. The Requirement reby certify that the foregoing is true. Name (Typed or Print): Title of Operator:	hat are required under the terms	of the approved notice		
V. <u>Signatur</u>	Any monitoring results or other reports to of intention should also be attached. The Requirement reby certify that the foregoing is true. Name (Typed or Print):	nat are required under the terms le and correct. David C. Frydenlund Vice President and C	of the approved notice		